

Senate File 176 - Introduced

SENATE FILE 176
BY FEENSTRA

A BILL FOR

1 An Act relating to state student assistance for students
2 enrolled in certain postsecondary institutions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261.2, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 11. Ensure that state financial aid awarded
4 to a student under a program administered by the commission is
5 not paid to any for-profit postsecondary institution under any
6 program administered by the commission.

7 Sec. 2. Section 261.9, subsection 1, paragraphs b and c,
8 Code 2011, are amended to read as follows:

9 ~~b. Is accredited by the north central association of~~
10 ~~colleges and secondary schools accrediting agency based~~
11 ~~on their requirements, is exempt from taxation~~ Qualifies
12 under section 501(c)(3) of the Internal Revenue Code as an
13 organization exempt from taxation, and annually provides a
14 matching aggregate amount of institutional financial aid equal
15 to at least seventy-five percent of the amount received in a
16 fiscal year by the institution's students for Iowa tuition
17 grant assistance under this chapter. Commencing with the
18 fiscal year beginning July 1, 2006, the matching aggregate
19 amount of institutional financial aid shall increase by the
20 percentage of increase each fiscal year of funds appropriated
21 for Iowa tuition grants under section 261.25, subsection 1, to
22 a maximum match of one hundred percent. The institution shall
23 file annual reports with the commission prior to receipt of
24 tuition grant moneys under this chapter. ~~An institution whose~~
25 ~~income is not exempt from taxation under section 501(c) of~~
26 ~~the Internal Revenue Code and whose students were eligible to~~
27 ~~receive Iowa tuition grant money in the fiscal year beginning~~
28 ~~July 1, 2003, shall meet the match requirements of this~~
29 ~~paragraph no later than June 30, 2005.~~

30 c. Is a specialized college that is accredited by the
31 north central association of colleges and secondary schools
32 accrediting agency, qualifies under section 501(c)(3) of the
33 Internal Revenue Code as an organization exempt from taxation,
34 ~~and which~~ offers health professional programs that are
35 affiliated with health care systems located in Iowa.

